

# **LINE ITEM AND BOILERPLATE SUMMARY**

## **MILITARY AND VETERANS AFFAIRS**

**Fiscal Year 2002-03  
Public Act 514 of 2002  
House Bill 5649**

**As Enacted**



**Prepared and Compiled by:**

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**December 2002**

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HOUSE OF REPRESENTATIVES



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December 2002

To: Members of the House of Representatives

We have prepared a Line Item Summary for each of the FY 2002-03 appropriation acts. Each Summary contains line-by-line detail, including the amount and purpose of each appropriation line and information regarding related boilerplate sections, for a specific appropriation act. Following the line item detail, we have included a section that provides a brief explanation of each boilerplate section in the appropriations bill. Please note that ~~strikeouts~~ in this report show the effects of vetoes.

This Line Item Summary explains line items in the *enacted* Military and Veterans Affairs Appropriations Bill, Public Act 514 of 2002. This report was prepared by Kyle I. Jen, Fiscal Analyst, with assistance from Julie Stapelman, Budget Assistant.

If you would like to obtain a Line Item Summary for a particular budget area, please contact Jeanne Dee, Administrative Assistant, at 373-8080.

Mitchell E. Bean, Director



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# GLOSSARY

## Frequently-Used State Budget Terms

**Adjusted Gross**

Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs)

**Boilerplate**

Specific language sections contained in an appropriations act which direct, limit or restrict line item expenditures, and/or require reports

**Budget Stabilization Fund (BSF)**

The countercyclical economic and budget stabilization fund—also known as the "rainy day" fund

**Federal Revenues**

Federal grant or matchable revenues dedicated to specific programs

**General Fund/General Purpose (GF/GP)**

The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues

**Gross Appropriations (Gross)**

The total of all applicable line item spending authorizations

**Interdepartmental Grant (IDG)**

Revenue or funds received by one state department from another state department (usually for a service the receiving department provides)

**Intradepartmental Transfer (IDT)**

Transfers or funds being provided from one appropriation unit to another in the same department

**Lapses**

Unspent/unobligated funds remaining in line item accounts at the end of the fiscal year

**Line Items**

Specific funding amount in an appropriations bill which establishes spending authorization for a particular program or function (may be for a single purpose or for multiple purposes)

**Local Revenue**

Revenues from local units of government

**State Restricted (Restricted Funds)**

State revenue dedicated to a specific fund; revenue which results from state mandates or initiatives; used for used for specific programs pursuant to the Constitution or statute

**Private Funds**

Revenues from non-government entities such as rents, royalties or interest payments, payments from hospitals, payments from individuals, and gifts and bequests

**School Aid Fund (SAF)**

The primary funding source for K-12 schools and Intermediate School Districts (ISDs)

**Work Project**

An account established to allow for certain specific unspent funds to be carried over from one fiscal year to a succeeding fiscal year or years



## DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

*The Department of Military and Veterans Affairs has two primary missions. The first is to execute the duties laid down by state statute and the Governor. This mission includes oversight of the state's veterans programs: (1) the state veterans homes in Grand Rapids and Marquette, (2) grants to veterans service organizations, and (3) the Michigan Veterans Trust Fund.*

*The Department's second mission is to ensure preparedness of the Michigan National Guard to (1) protect the lives and property of Michigan citizens during times of natural disaster and preserve the peace, order, and public safety at the direction of the Governor and (2) assist the federal government in defending the sovereign interests of the United States when they are threatened or violated.*

Full-time equated unclassified positions	7.0	Total full-time equated (FTE) positions not in the state classified service authorized for the Department.
Full-time equated classified positions	1,072.0	Total full-time equated (FTE) positions in the state classified service authorized for the Department.
<b>GROSS APPROPRIATION</b>	<b>\$103,364,700</b>	<b>Total of all applicable line item appropriations.</b>
Total interdepartmental grants and intradepartmental transfers	200,000	Total of all grants from other Departments and transfer of funds within the Department; this amount is subtracted from the gross appropriation to avoid double-counting expenditure line items.
<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$103,164,700</b>	<b>Net of gross appropriations, interdepartmental grants, and intradepartmental transfers.</b>
Total federal revenues	39,114,500	Total federal grant or matchable revenues dedicated to specific programs.
Total local revenues	0	Total revenues from local units of government.
Total private revenues	530,000	Total private grant revenues.
Total other state restricted revenues	23,437,600	State revenues dedicated to a specific fund (other than the General Fund); or revenues earmarked for a specific purpose.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$40,082,600</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## SECTION 102: HEADQUARTERS AND ARMORIES

*This appropriations unit includes funding for the basic administrative functions of the Michigan National Guard, the salaries of the Department's unclassified employees, the Challenge Program, and several smaller funding items overseen by the Department.*

Full-time equated unclassified positions	7.0	FTE positions not in the state classified service authorized for the Department.									
Full-time equated classified positions	140.0	Total FTE positions in the state classified service authorized for Headquarters and Armories.									
Headquarters and armories - 105.0 FTE positions	9,706,600	<p>Administrative functions of the Michigan National Guard, including management of personnel, facilities, and state and federal financial resources. Includes physical operations of state's 48 National Guard armories.</p> <table style="margin-left: 40px;"> <tr> <td>Funding Source(s):</td> <td style="padding-left: 20px;">Federal</td> <td style="text-align: right;">1,913,300</td> </tr> <tr> <td></td> <td style="padding-left: 20px;">Restricted</td> <td style="text-align: right;">350,000</td> </tr> <tr> <td></td> <td style="padding-left: 20px;">GF/GP</td> <td style="text-align: right;">7,443,300</td> </tr> </table> <p style="text-align: right;"><i>Related Boilerplate Section(s): 213, 301</i></p>	Funding Source(s):	Federal	1,913,300		Restricted	350,000		GF/GP	7,443,300
Funding Source(s):	Federal	1,913,300									
	Restricted	350,000									
	GF/GP	7,443,300									
Unclassified military personnel	660,300	<p>Salaries of the Department's six special duty officers: Director (the Adjutant General of Michigan), Deputy Director for Army National Guard, Deputy Director for Air National Guard, Deputy Director for Veterans Affairs, Legislative Liaison, and Public Information Officer. An additional unclassified position is authorized to be filled at the Director's discretion.</p> <table style="margin-left: 40px;"> <tr> <td>Funding Source(s):</td> <td style="padding-left: 20px;">GF/GP</td> <td style="text-align: right;">660,300</td> </tr> </table> <p style="text-align: right;"><i>Related Boilerplate Section(s): None</i></p>	Funding Source(s):	GF/GP	660,300						
Funding Source(s):	GF/GP	660,300									
Military appeals tribunal	900	<p>Per diem payments and administrative costs associated with the Military Appeals Tribunal, which is composed of five members appointed by the Governor and has appellate jurisdiction over court martial decisions under the Michigan Code of Military Justice.</p> <table style="margin-left: 40px;"> <tr> <td>Funding Source(s):</td> <td style="padding-left: 20px;">GF/GP</td> <td style="text-align: right;">900</td> </tr> </table> <p style="text-align: right;"><i>Related Boilerplate Section(s): None</i></p>	Funding Source(s):	GF/GP	900						
Funding Source(s):	GF/GP	900									
Michigan emergency volunteers	5,000	<p>Basic operational supplies for the Michigan Emergency Volunteers, the statutory organization of military personnel which would be activated if the Michigan National Guard was mobilized for service during a national emergency.</p> <table style="margin-left: 40px;"> <tr> <td>Funding Source(s):</td> <td style="padding-left: 20px;">GF/GP</td> <td style="text-align: right;">5,000</td> </tr> </table> <p style="text-align: right;"><i>Related Boilerplate Section(s): None</i></p>	Funding Source(s):	GF/GP	5,000						
Funding Source(s):	GF/GP	5,000									

State active duty	70,100	Spending authority for the Adjutant General to call up military personnel to state duty to perform unique administrative or maintenance functions.
		Funding Source(s):
		Restricted
		GF/GP
		40,000
		30,100
		<i>Related Boilerplate Section(s): None</i>
Challenge program - 40.5 FTE positions	3,296,900	Voluntary boot camp-style program for 16- to 18-year-old high school dropouts run by the Department at the U.S. Veterans Administration facility in Battle Creek. Two 22-week residential programs are run during the course of a calendar year; each is followed by a 12-month post-residential mentoring phase for graduates. Program's base funding is 60% federal/40% state.
		Funding Source(s):
		IDG
		Federal
		Private
		GF/GP
		200,000
		1,651,200
		105,000
		1,340,700
		<i>Related Boilerplate Section(s): 302, 304</i>
<b>GROSS APPROPRIATION</b>	<b>\$13,739,800</b>	<b>Total of all applicable line item appropriations.</b>
IDG - challenge grant	200,000	Federal grant revenues received for Challenge Program through IDG from Michigan Department of Community Health.
DOD-DOA-NGB	3,564,500	Revenues received from National Guard Bureau (NGB), Department of Army (DOA), U.S. Department of Defense (DOD).
Rental fees	350,000	Revenues from rental of armories pursuant to section 354 of Michigan Military Act.
Mackinac Bridge authority	40,000	Reimbursement for pay and expenses of National Guard members who provide security for the annual Labor Day Mackinac Bridge Walk.
Private donations	105,000	Donations made by private individuals or organizations to Challenge Program.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$9,480,300</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>



## SECTION 104: DEPARTMENTWIDE APPROPRIATIONS

*This appropriations unit includes funds for various expenses incurred throughout the Department, special maintenance at National Guard facilities in the state, statutorily-required retirement payments, and two federally-funded programs.*

Departmentwide accounts	1,830,000	Travel, equipment, worker's compensation, vehicle liability insurance, rent, training, and safety supplies.	
		Funding Source(s):	Federal 1,271,800
			GF/GP 558,200

*Related Boilerplate Section(s): None*

Special maintenance - state	401,200	Large repairs and structural maintenance at National Guard facilities that cannot be handled through regular maintenance. Supplements special maintenance funds appropriated through Capital Outlay process.	
		Funding Source(s):	GF/GP 401,200

*Related Boilerplate Section(s): None*

Special maintenance - federal	4,300,000	Large repairs and structural maintenance at National Guard facilities that cannot be handled through regular maintenance. Supplements special maintenance funds appropriated through Capital Outlay process.	
		Funding Source(s):	Federal 4,300,000

*Related Boilerplate Section(s): None*

Military retirement	2,500,000	Annual payments of \$600 to retired Michigan National Guard personnel and \$500 to surviving spouses of such retirees required by Public Act 150 of 1967. Line item also includes retirement costs of retired full-time special duty officers.	
		Funding Source(s):	GF/GP 2,500,000

*Related Boilerplate Section(s): None*

Counternarcotic operations	50,000	National Guard efforts coordinated with federal, state, and local law enforcement agencies to counter the flow of illegal drugs in Michigan. Specific efforts are the use of helicopters to assist in the location of marijuana and support of the U.S. Customs Agency at the Port Huron and Detroit border entry points.	
		Funding Source(s):	Federal 50,000

*Related Boilerplate Section(s): None*

Starbase grant	600,000	Federally-funded program designed to expose disadvantaged 6th- to 12th-grade students to real world math and science applications. Program is located at Selfridge Air National Guard Base.
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Funding Source(s):    Federal        600,000

*Related Boilerplate Section(s): None*

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<b>GROSS APPROPRIATION</b>	<b>\$9,681,200</b>	<b>Total of all applicable line item appropriations.</b>
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DOD-DOA-NGB	6,171,800	Revenues received from National Guard Bureau (NGB), Department of Army (DOA), U.S. Department of Defense (DOD).
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Federal counternarcotic revenue	50,000	Revenues received from federal agencies in conjunction with counternarcotic assistance provided by National Guard.
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<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$3,459,400</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>
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## SECTION 105: VETERANS SERVICE ORGANIZATIONS

*The state provides grants to veterans service organizations (VSOs) which, in turn, assist veterans in obtaining benefits—primarily from the U.S. Department of Veterans. Grant funds are used for the salaries of veterans service officers and other related expenses.*

American legion	886,000	Grant to American Legion.		
		Funding Source(s):	GF/GP	886,000
		<i>Related Boilerplate Section(s): 501</i>		
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Disabled American veterans	732,400	Grant to Disabled American Veterans.		
		Funding Source(s):	GF/GP	732,400
		<i>Related Boilerplate Section(s): 501</i>		
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Marine corps league	336,300	Grant to Marine Corps League.		
		Funding Source(s):	GF/GP	336,300
		<i>Related Boilerplate Section(s): 501</i>		
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American veterans of World War II and Korea	464,800	Grant to AMVETS.		
		Funding Source(s):	GF/GP	464,800
		<i>Related Boilerplate Section(s): 501</i>		
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Veterans of foreign wars	886,000	Grant to Veterans of Foreign Wars.		
		Funding Source(s):	GF/GP	886,000
		<i>Related Boilerplate Section(s): 501</i>		
<hr/>				
Michigan paralyzed veterans of America	165,700	Grant to Paralyzed Veterans of America.		
		Funding Source(s):	GF/GP	165,700
		<i>Related Boilerplate Section(s): 501</i>		
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Purple heart	157,900	Grant to Military Order of the Purple Heart.		
		Funding Source(s):	GF/GP	157,900
		<i>Related Boilerplate Section(s): 501</i>		
<hr/>				
Veterans of World War I	100	Placeholder appropriation for Veterans of World War I.		
		Funding Source(s):	GF/GP	100
		<i>Related Boilerplate Section(s): 501</i>		
<hr/>				
Polish legion of American veterans	41,200	Grant to Polish Legion of American Veterans.		
		Funding Source(s):	GF/GP	41,200
		<i>Related Boilerplate Section(s): 501</i>		

Jewish veterans of America	41,200	Grant to Jewish War Veterans. Funding Source(s): GF/GP	41,200
<i>Related Boilerplate Section(s): 501</i>			
State of Michigan council Vietnam veterans of America	159,500	Grant to Vietnam Veterans of America. Funding Source(s): GF/GP	159,500
<i>Related Boilerplate Section(s): 501</i>			
Catholic war veterans	41,200	Grant to Catholic War Veterans. Funding Source(s): GF/GP	41,200
<i>Related Boilerplate Section(s): 501</i>			
<b>GROSS APPROPRIATION</b>	<b>\$3,912,300</b>	<b>Total of all applicable line item appropriations.</b>	
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$3,912,300</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>	

## SECTION 106: GRAND RAPIDS VETERANS' HOME

*The Grand Rapids Veterans' Home was established by Public Act 152 of 1885 to provide care for aged and disabled veterans. Later amendments to statute extended admission eligibility to widows, widowers, spouses, former spouses, and parents of state veterans. The home provides three levels of care: (1) domiciliary, (2) nursing, and (3) special needs. The facility is governed by a Board of Managers (with oversight of both state veterans homes) consisting of seven members appointed by the Governor.*

Full-time equated classified positions	536.0	Total full-time equated (FTE) positions authorized for the Grand Rapids Veterans' Home.
Grand Rapids veterans' home - 536.0 FTE positions	42,264,700	Operations of the 755-bed Grand Rapids Veterans' Home. Funding Source(s):      Federal      13,102,900 Restricted      13,960,700 GF/GP      15,201,100
<i>Related Boilerplate Section(s): 601, 602</i>		
Board of managers	300,000	Spending authority for facility improvements and other purposes benefiting the home's residents, as directed by the Board of Managers. Funding Source(s):      Private      300,000
<i>Related Boilerplate Section(s): 603</i>		
<b>GROSS APPROPRIATION</b>	<b>\$42,564,700</b>	<b>Total of all applicable line item appropriations.</b>
DVA-VHA	11,910,000	Per diem payment revenues received from Veterans Health Administration (VHA), U.S. Department of Veterans Affairs (DVA), based on the number and level of care of eligible veterans at the home.
HHS-HCFA, title XIX, Medicaid	500,000	Revenues received from Health Care Financing Administration (HCFA), U.S. Department of Health and Human Services (HHS), through Medicaid reimbursement payments.
HHS-HCFA, Medicare, hospital insurance	692,900	Revenues received from Health Care Financing Administration (HCFA), U.S. Department of Health and Human Services (HHS), through Medicare reimbursement payments.
Private-veterans' home post and posthumous funds	300,000	Specified funds receive money from private donations and estates of residents, respectively.
Income and assessments	13,925,700	Revenues received from residents based on ability to pay.
Lease revenue	35,000	Revenues received from a third party company which performs physical therapy services at the home.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$15,201,100</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## SECTION 107: D.J. JACOBETTI VETERANS' HOME

*The D.J. Jacobetti Veterans' Home in Marquette was established in 1981 to provide care to aged and disabled veterans in the Upper Peninsula. Admission eligibility is also extended to widows, widowers, spouses, former spouses, and parents of state veterans. The home provides three levels of care: (1) domiciliary, (2) nursing, and (3) special needs. The facility is governed by a Board of Managers (with oversight of both state veterans homes) consisting of seven members who are appointed by the Governor.*

Full-time equated classified positions	151.0	Total full-time equivalent (FTE) positions authorized for the D.J. Jacobetti Veterans' Home.
D.J. Jacobetti veterans' home - 151.0 FTE positions	12,832,800	Operations of the 241-bed D.J. Jacobetti Veterans' Home. Funding Source(s): Federal 3,564,800 Restricted 4,068,800 GF/GP 5,199,200
<i>Related Boilerplate Section(s): 601, 602</i>		
Board of managers	125,000	Spending authority for facility improvements and other purposes benefiting the home's residents, as directed by the Board of Managers. Funding Source(s): Private 125,000
<i>Related Boilerplate Section(s): 603</i>		
<b>GROSS APPROPRIATION</b>	<b>\$12,957,800</b>	<b>Total of all applicable line item appropriations.</b>
DVA-VHA	3,356,100	Per diem payment revenues received from Veterans Health Administration (VHA), U.S. Department of Veterans Affairs (DVA), based on the number and level of care of eligible veterans.
HHS-HCFA, Medicare, hospital insurance	208,700	Revenues received from Health Care Financing Administration (HCFA), U.S. Department of Health and Human Services (HHS), through Medicare reimbursement payments.
Private-veterans' home post and posthumous funds	125,000	Specified funds receive money from private donations and estates of residents, respectively.
Income and assessments	4,068,800	Revenues received from residents based on ability to pay.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$5,199,200</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## SECTION 108: MICHIGAN VETERANS' TRUST FUND

*Public Act 9 of 1946 established the \$50.0 million Michigan Veterans' Trust Fund. The majority of the earnings from the trust fund are used to fund the Emergency Grant Program, which provides grants to veterans in temporary financial difficulty. Earnings are also used to fund the Tuition Grant Program, which provides college tuition for the children of veterans killed or disabled in the line of duty pursuant to Public Act 245 of 1935. The fund is overseen by a board of seven members appointed by the Governor. The State Constitution was amended in 1996 to require the approval of the trust fund board for any expenditures or transfers from the fund.*

*In 1997, the Department was reorganized to place greater emphasis upon the various veterans programs it oversees. As part of this reorganization, the Veterans' Affairs Directorate was established to oversee these responsibilities in a coordinated manner.*

Full-time equated classified positions	16.0	Total full-time equivalent (FTE) positions authorized for the Michigan Veterans' Trust Fund.
Veterans' affairs directorate administration - 3.0 FTE positions	344,200	Operations of the Veterans' Affairs Directorate. This line item includes \$50,000 for county veterans counselor training. Funding Source(s): GF/GP 344,200  <i>Related Boilerplate Section(s): 704</i>
Administration - 13.0 FTE positions	1,030,000	State-level administrative costs of the Emergency Grant and Tuition Grant Programs. Funding Source(s): Restricted 1,030,000  <i>Related Boilerplate Section(s): 703</i>
Veterans' trust fund grants	3,746,500	Spending authority for the Emergency Grant and Tuition Grant Programs. Line item includes administrative costs of the county committees that distribute emergency grants. Funding Source(s): Restricted 3,746,500  <i>Related Boilerplate Section(s): 703</i>
<b>GROSS APPROPRIATION</b>	<b>\$5,120,700</b>	<b>Total of all applicable line item appropriations.</b>
Michigan veterans' trust fund	4,776,500	Investment earnings from the \$50.0 million principal of the trust fund.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$344,200</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## SECTION 109: INFORMATION TECHNOLOGY

*Executive Order 2001-3 created the Department of Information Technology (DIT), responsible for managing the state's information technology resources. This appropriations unit consolidates funds associated with the Department of Military and Veterans Affairs' information technology functions, to be passed through to DIT.*

Information technology services and projects	1,230,800	Funds to be passed through as an IDG to DIT for information technology services and projects provided by that department.
		Funding Source(s):
		Federal 520,100
		Restricted 141,600
		GF/GP 569,100

*Related Boilerplate Section(s): 259, 260*

<b>GROSS APPROPRIATION</b>	<b>\$1,230,800</b>	<b>Total of all applicable line item appropriations.</b>
DOD-DOA-NGB	394,900	Revenues received from National Guard Bureau (NGB), Department of Army (DOA), U.S. Department of Defense (DOD).
DVA-VHA	125,200	Per diem payment revenues received from Veterans Health Administration (VHA), U.S. Department of Veterans Affairs (DVA), based on the number and level of care of eligible veterans at the state's veterans homes.
Income and assessments	141,600	Revenues received from state veterans home residents based on ability to pay.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$569,100</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## SECTION 110: EARLY RETIREMENT AND BUDGETARY SAVINGS

*Appropriations unit contains two negative GF/GP appropriations. Reductions necessary to satisfy these appropriations are to be applied to other line items in the budget through the legislative transfer process.*

Early retirement savings	(463,200)	Projected savings from the early retirement program provided for in Public Act 93 of 2002. Funding Source(s): GF/GP (463,200) <i>Related Boilerplate Section(s): 261</i>
Budgetary savings	(409,600)	Equal to 1.0% of total GF/GP appropriation in revised executive recommendation for FY 2002-03 budget. Funding Source(s): GF/GP (409,600) <i>Related Boilerplate Section(s): 261</i>
<b>GROSS APPROPRIATION</b>	<b>(\$872,800)</b>	<b>Total of all applicable line item appropriations.</b>
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>(\$872,800)</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenues.</b>

## BOILERPLATE SECTION INFORMATION

**Sec. 201. Payments to Locals**

Itemizes payments to locals from funds appropriated.

**Sec. 202. Management and Budget Act**

Subjects appropriations to Management and Budget Act.

**Sec. 203. Terms and Acronyms**

Defines various terms and acronyms used in act.

**Sec. 204. Department of Civil Service 1% Charge**

Provides for payment of constitutionally authorized 1% charge to Department of Civil Service.

**Sec. 205. State Classified Service Hiring Freeze**

Imposes hiring freeze on state classified civil service; exempts internal transfers and provides for other exceptions.

**Sec. 206. Contingency Funds**

Appropriates contingency funds for transfer to other line items pursuant to Management and Budget Act—  
Federal: \$5.0 million, State Restricted: \$2.0 million, Local: \$100,000, Private: \$100,000.

**Sec. 207. Privatization Plans**

Requires submission of project plan to Legislature 60 days before beginning any effort to privatize.

**Sec. 208. Reporting Via Internet**

Requires Department to use Internet for reporting requirements.

**Sec. 209. American Goods and Services**

Prohibits purchase of foreign goods and services if comparably priced American goods and services are available.

**Sec. 210. Deprived and Depressed Communities**

Requires that reasonable steps be taken to ensure businesses in deprived and depressed communities compete for and perform state contracts.

**Sec. 211. Creation and Retention of Reports.**

Requires Department to create and retain reports for funds appropriated.

**Sec. 212. National Guard Education Assistance Program**

Provides for Michigan National Guard Education Assistance Program; sets expenditure limit of \$2.0 million; allows 50% tuition reimbursement for National Guard members up to \$2,000 per year; provides for administration of program by Department and authorizes expenditures for promotion of program and recruitment efforts.

**Sec. 213. Armory Closure or Consolidation**

Requires Department to consult with appropriations subcommittees regarding projected closing or consolidation of any National Guard armories.

**Sec. 259. Information Technology - User Fees**

Provides for Department to pay user fees to Department of Information Technology, subject to an interagency agreement.

**Sec. 260. Information Technology - Work Projects**

States that amounts appropriated for information technology may be designated as work projects pursuant to Management and Budget Act.

**Sec. 261. Early Retirement and Budgetary Savings**

Provides for transfer of negative appropriations for early retirement and budgetary savings to other line items pursuant to Management and Budget Act.

**Sec. 301. Armory Rental Fee**

Allows Department to charge a reasonable fee for rental of an armory.

**Sec. 302. Challenge Program - Donations and Participant Fee**

Provides that private donations to Challenge Program not lapse to General Fund at close of fiscal year; allows Department to charge fee for program participants from families with incomes that exceed 200% of federal poverty guidelines.

**Sec. 303. Oak Park Armory Property**

Provides for reappraisal of Oak Park Armory property; grants City of Oak Park right to purchase property at appraisal value; states that section does not amend Michigan Military Act.

**Sec. 304. Challenge Program - Partnership with FIA**

Directs Department to partner with Family Independence Agency (FIA) to identify youth for Challenge Program; grants such youth priority for enrollment in program.

**Sec. 501. Grant to Veterans Service Organizations (VSOs)**

Restricts use of grant funds to costs related to accredited veterans service advocacy officers and support/managerial staff; specifies requirements for receipt of grant funds by VSOs; sets requirements for grant to a newly-founded VSO; requires an accounting of expenditures, budget request, and various other information to be submitted by each VSO to Department and Legislature.

**Sec. 601. Veterans and Veterans' Families**

Prohibits use of veterans homes appropriations for any purpose other than veterans and veterans' families.

**Sec. 602. Veterans Homes Annual Report**

Requires annual report containing specified information regarding the two veterans homes.

**Sec. 603. Board of Managers Appropriations**

Provides that funds appropriated for Board of Managers of veterans homes may be expended for facility improvements at the homes and other purposes benefiting veterans.

**Sec. 703. Veterans Trust Fund Annual Report**

Requires annual report on emergency and tuition grants provided from Veterans Trust Fund and other fund-related information.

**Sec. 704. County Veterans Counselor Training**

Directs Veterans Affairs Directorate to assist county veterans counselors in obtaining training.



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